



LOCAL INITIATIVES SUPPORT CORPORATION
HARTFORD & CONNECTICUT STATEWIDE PROGRAMS

Testimony to the Appropriations Committee of the Connecticut General Assembly

March 27, 2009

Senator Harp, Representative Geragosian and members of the Committee, we would like to address you today regarding a vital resource for producing affordable housing: the **Community Investment Act**. Governor Rell's latest budget proposal diverts the resources of this dedicated fund into the General Fund. This would undermine the outstanding progress that has been made over the past two years in helping urban and rural communities to build and plan for affordable housing.

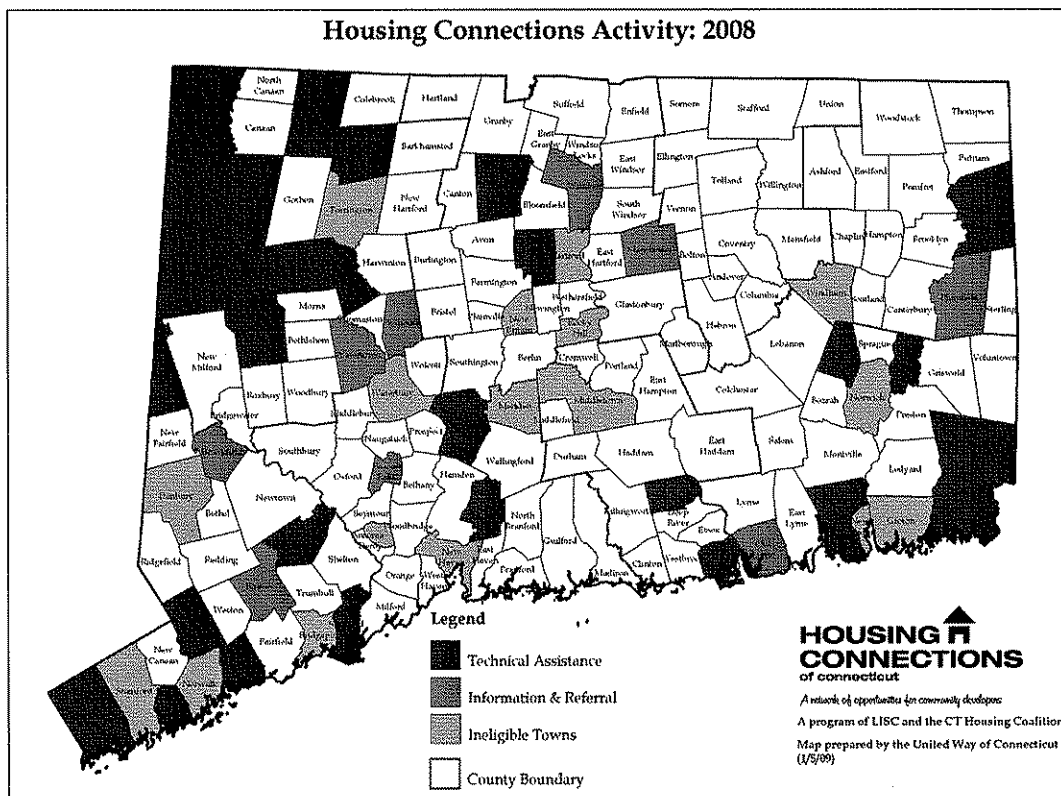
Over the last two years, LISC along with the Connecticut Housing Coalition has operated Housing Connections, a program to provide technical assistance to rural and suburban communities. This program is funded by a \$250,000 annual contract from CHFA. In the first two years, we have seen outstanding results:

- Housing Connections has provided services to nearly one-third of the 151 eligible towns in the state.
- 4 communities have formed or strengthened local housing organizations.
- 6 communities have completed housing plans or needs assessments.
- 11 organizations have identified sites for development.
- 5 are assembling financing commitments.
- 2 developments are under construction.
- The Housing Connections portfolio includes 343 affordable homes in 22 communities with 12 organizations.
 - ★ 224 family and 119 elderly homes
 - ★ 20 homeownership and 323 rental units
 - ★ Serving an estimated 925 low and moderate income residents of Connecticut.

LISC and the Coalition have been able to produce these results with active outreach, one-on-one technical assistance, educational forums, and planning and technical assistance

grants. LISC has also leveraged additional investment for housing, providing \$295,000 in grants and loans to support development in rural and suburban towns. This assistance will leverage substantial private investment, provide construction jobs and create a supply of workforce housing in towns where there are no affordable housing options.

The elimination of the Community Investment Act resources impacts 37 towns in 7 different counties in Connecticut. There are no other state funds that support this work. The demand for services funded by the Community Investment Act through the Housing Connections work is proven by the clients we worked with and the development we helped fund since its inception in 2007.



In addition to support for Housing Connections, the Community Investment Act has provided direct support for the development and preservation of homeownership, rental and supportive housing in towns and cities across the state. We ask that the committee protect this work by preserving the funds of the Community Investment Act.

We thank you for your support and we are happy to provide you any additional information that you may need. Please contact Marcella Hyland Program Officer at LISC (203-281-0011 or MHyland@lisc.org).